



**MONTANA STATE EMPLOYERS COUNCIL
EXECUTIVE BOARD MEETING MINUTES**

Wednesday – October 1, 2003

1:00 to 5:00 p.m.

Helena Wingate Inn – Sleeping Giant Room

Board Members Present:

Mark Heinert, Carolyn DeYoung, Patty Guiberson, Roy Hagen, Cliff Johnson, Jim Hunt.
Pat Cunningham participated by telephone.

Recorder: Kathy Yankoff, State JSEC Coordinator

Guests: Gordy Higgins, Mark Bowlds & Lorelee Robinson – Department of Labor & Industry

I. CALL TO ORDER: Mark Heinert called the meeting to order.

- A. Introductions: Self-introductions were made of all present.
- B. Agenda Changes: None.
- C. Approval of Minutes from 04/09/03: Minutes were approved as submitted.
- D. Correspondence: A card from Kathy Yankoff was circulated, thanking the Board for their financial assistance with her trip to the IAPES Annual Conference in June.

II. REPORTS AND UPDATES:

- A. Treasurer's Report (Mark Heinert): A copy of the Treasurer's Report was passed out to all members present. **Current balance** is \$11,173.45 (\$10,282.26 in MSEC funds and \$891.19 in JMG funds). **Revenue** since the last report (May 22, 2003) totals \$3,220.16. The breakdown includes: the Silent Auction (\$1,664.25), Raffle (\$1,335.25), sales of our mugs/folios/pen (\$41.50), and \$179.16 in interest earnings. **Expenses** since the last report total \$61,954.20. The primary costs include: \$60,981.82 to the JMG Foundation; \$408.13 for annual meeting and raffle expenses; and \$563.00 to Kathy Yankoff for the IAPES Conference. A separate sheet accounting for the raffle income, expenses, net proceeds and calculation of the Bitterroot JSEC share (\$188.13) was attached. Mark also noted that, due to the JMG money – the MSEC had to file a 990 report with the IRS this year.
Action: Roy moved to accept the report as submitted and Cliff seconded the motion. Motion passed. A signed copy of the report was given to Kathy for the permanent file.
- B. Department & Division Update: Gordy Higgins, Job Service Programs Bureau Chief, reported on the latest developments with the Department and Division and legislative issues on the horizon that may impact us.
 - As a whole, our financial picture for the Division looks much better than last year. This is due to the receipt of a number of National Emergency Grants (NEG) from USDOL. Gordy noted their turn-around time from receipt of the grant application to approval is improving. On the down side, the level of funding received is less than requested (about 25%). For this reason, we have adopted on-going communication with USDOL requesting receipt of our approved funds.
 - October 1st is the first day of the new Federal Fiscal Year. Congress has approved a "continuing resolution" until such time as the Appropriations bill is passed. We continue to have a concern about Wagner-Peyser funding as the overall pot of this funding is not getting any bigger. Since Wagner-Peyser is what funds our core services in the Job Service Workforce Center system, the trend with that funding played a role in the outcome of the redesign initiative.
 - For the next year, our main focus as a Division will be on the redesign. We consider this time as a transition year. The outcome of the Redesign/Realignment efforts for the local Job Service Workforce Centers will be conveyed to the field management staff via conference call on Monday, 10/6.
 - Statewide Programs Bureau issues: A number of TAA petitions have been approved, but the level of funding is not enough to meet the demand.

- Vet's Program adjustments: 1) vets now have a priority of service in all DOL funded training. 2) We just finished a new state plan to incorporate a 20% reduction in funding each year for the next 2 years. We will be going from \$815,000 to \$550,000, which will impact staffing levels. We will go from 16 to 8 field staff and spread some duties to other Wagner-Peyser staff. To help with the transition, we will be using some money from the Reed Act distribution.
- There is no legislative session this winter, but the Division has been working on issues before Congress, particularly WIA Reauthorization and the Appropriations bill.
- WIA Reauthorization: The House version and the Senate version are very different so the bill will end up in conference committee, which may or may not happen this year. Adult Ed is up for reauthorization next year, and Congress might push WIA Reauthorization to the same time.
- Key Appropriations issue: The Labor, Health & Human Services portion is contentious. NASWA has provided comment to fund Wagner-Peyser at what it costs. The reality is WP will lose money with the continuing resolution.
- UI Tax project: SB271 split UI tax collection from other tax collections, moving the UI function back to our Department. We are currently in the process of reviving the old automation system to have it operational by July 1, 2004. Gordy is heading the project to work with Revenue on necessary equipment and staffing transitions. One big issue is how to best communicate the change to employers. Gordy would like to see the Executive Board ask local JSECs to help in getting the word out, as well as having our Business Advocate staff help broadcast the news.
- Overall Staffing: Mark Bowlds, Job Service Field Operations Bureau Chief, explained that we have a total of 374 field staff. There are 164 Wagner-Peyser and 8 Vet staff, the remainder are all funded through contracts (WIA, TAA, etc). The revenue is not keeping pace with the service needs.
- C. Jobs for Montana's Graduates: JMG State Coordinator, Lorelee Robinson thanked the Board for their past support of JMG and presented the following information:
 - The formation of the JMG Foundation is progressing. The Foundation will not lead to total privatization. We will continue our three pronged state level approach between the Governor's Office, Dept of Labor and Office of Public Instruction.
 - Special Projects: 1) Pat Cunningham with Dawson Community College is helping with a tuition waiver process for JMG students. 2) Summer activities: JMG needs to provide year round contact for its' students so we have begun partnering with WIA, YMCA's, etc to fill this need. 3) Middle School need: There are growing requests for JMG at the middle school level. Montana would like to purchase Maine's program and has applied for a grant from the Montana Board of Crime Control.
 - Looking forward: We are also beginning to explore developing programs at the post-secondary level.
 - Pat Cunningham is a new addition to the JMG Board.
 - JMG Foundation: 1) Board members - Lorelee is looking for the following – private sector, fundraising and/or grant writing experience. She will have a list together by the end of October. She anticipated 3-12 members. 2) Projected Budget: An overall budget of \$92,000 has been developed to support the prioritized activities of the Foundation. 3) Fundraising: There are several possible sources for Foundation funds. These include United Way, State and local Chambers of Commerce, fraternal organizations, special fundraisers such as a benefit tournament at Fox Ridge Golf Course in Helena, donations from individuals and entities such as Washington Foundation and MSEC. 4) Plans are underway to co-locate JMG and the Foundation. A Director for the Foundation will be hired in January.
 - The National Leadership Conference will again be in Washington, D.C. in early December. At this time, Lorelee is planning to take 4 students.
- D. 2003 Annual Meeting Evaluations (Kathy Yankoff): Kathy distributed copies of the evaluation compilations. Overall, the meeting was very highly rated. The Business Showcase day was once again a big hit although some commented that it would have been better to end the day with the tours rather than come back for a final session.
- E. USDOL Business Relations Group (Kathy): Kathy distributed some handouts with information about the USDOL Business Relations Group for which she is Montana's State Liaison. Their initiatives include the National Business Partnerships – which attempts to create better working relationships between local Workforce Centers and national companies, and the High-Growth Industries Training initiative.
- F. National Business Engagement Consortium (Kathy): Kathy distributed a one page handout noting the preliminary key results for the project. The results show it was very successful in nearly all aspects – both nationally and at the local state level.

III. OLD BUSINESS:

- A. Unified Policy on Financial Assistance to local JSECs (Mark): Copies of a draft policy combining the two existing policies were distributed for review and discussion. **Action:** Roy moved to accept the unified policy as submitted. Cliff seconded the motion. No additional discussion. Motion passed.
- B. Fundraisers and Spending Priorities (Mark): Kathy passed along the comments that had come in from local JSECs. There were no issues with how the Board is currently spending MSEC funds. The consensus seems to be to continue to support our traditional activities and projects. Some local JSECs might even be willing to help provide financial support some projects, if the need arises.
- C. 2004 Annual Meeting site selection (Mark): The two cities bidding for next year's meeting are Livingston and Helena. Kathy reviewed the information provided by each community regarding site, costs, etc. Roy moved to accept the Livingston bid and Patty seconded the motion. Discussion followed. Motion passed.
- D. National SHRM membership renewal for State Coordinator (Mark): Kathy's national SHRM membership will be coming up for renewal in the next few months. Cost is \$160 a year. **Action:** Patty made a motion to pay the \$160 for the membership renewal. Carolyn & Jim seconded the motion simultaneously. No discussion. Motion passed.
- E. JMG National Conference Financial Support: (Mark): **Action:** Carolyn moved to approve up to \$600 for the JMG trip to D.C., giving Kathy the authority to work things out with Lorelee regarding how costs will be divided out.. Patty seconded the motion. No further discussion. Motion carried.

IV. NEW BUSINESS:

- A. Scheduling of MSEC Strategic Planning session (Kathy): Since the Board was not able to do the strategic planning in conjunction with this meeting, they need to decide on when to reschedule. The Board did not want to wait until the Spring meeting to hold the session, so it was decided to piggy-back on the Business Advocate Training in Billings the first week of November. The session will be on Monday, November 3rd starting with a catered lunch and ending at 5:00. Kathy will set up the meeting room and block of sleeping rooms then send out the information to everyone.
- B. Other: There was no other business before the Board.

V. ADJOURN:

There being no other business, the meeting was adjourned.